AN AASIS TRAINING GUIDE

Advanced Accounts Payable Logistics Invoicing In Depth
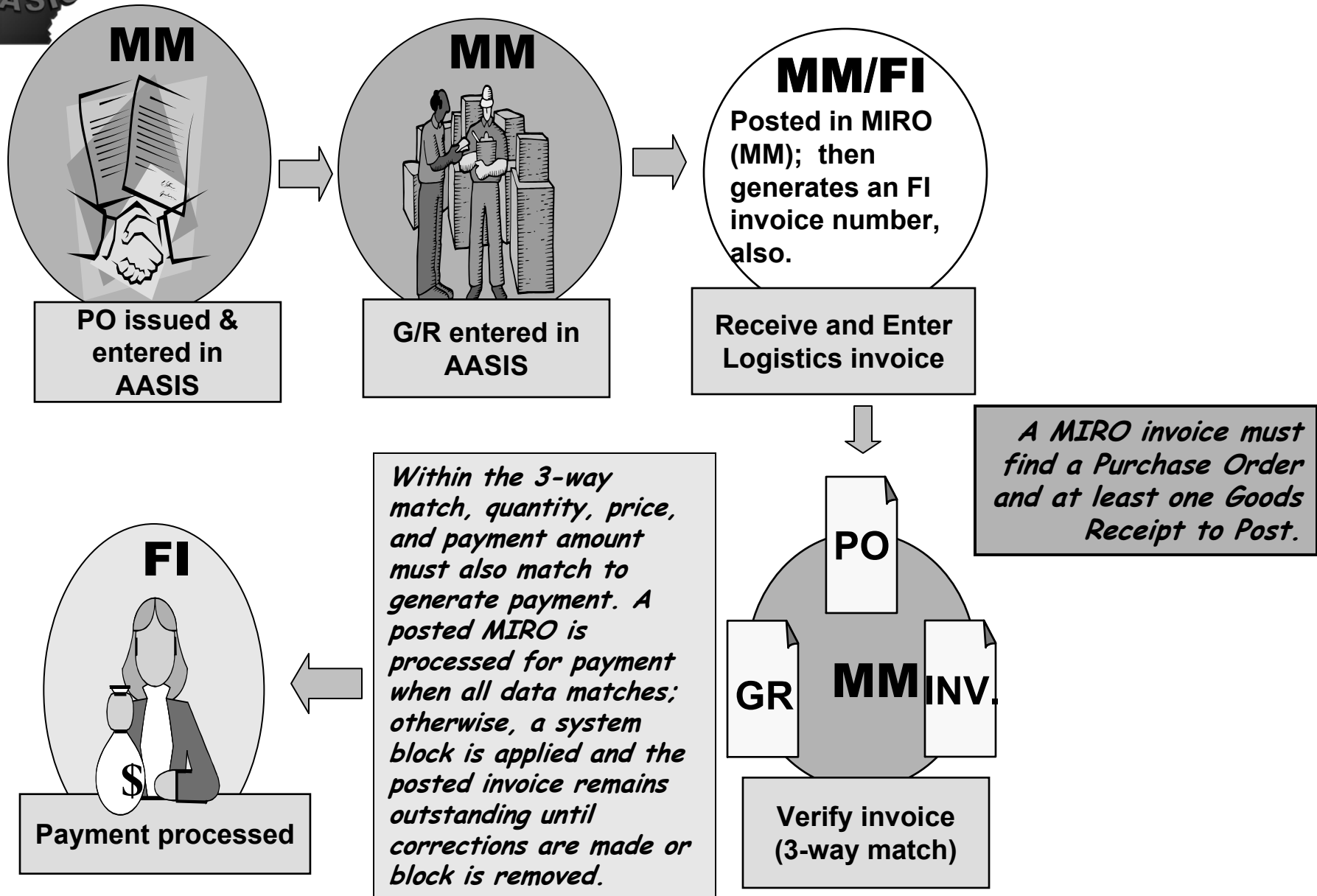
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  November, 2004

BEST IF PRINTED IN SLIDE VIEW

The Three-Way Match

- In order to pay an invoice against a purchase order, two documents must already exist in AASIS: the purchase order itself and a goods receipt. When the invoice is entered in MIRO on the MM side of AASIS, a process known as invoice verification or "three way match" takes place.

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MM

PO issued & entered in AASIS

MM

G/R entered in AASIS

MM/FI

Posted in MIRO (MM); then generates an FI invoice number, also.

Receive and Enter Logistics invoice

A MIRO invoice must find a Purchase Order and at least one Goods Receipt to Post.

Within the 3-way match, quantity, price, and payment amount must also match to generate payment. A posted MIRO is processed for payment when all data matches; otherwise, a system block is applied and the posted invoice remains outstanding until corrections are made or block is removed.

PO

GR MM INV.

Verify invoice (3-way match)

FI

$

Payment processed

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This is an example of a three way match. Two were ordered, one was received, and the system will allow you to pay for one. The invoice passes the three-way match.

The quantity being invoiced in this example does not match the goods receipt quantity. The invoice fails the three-way match.

Verification log - invoice / 2004

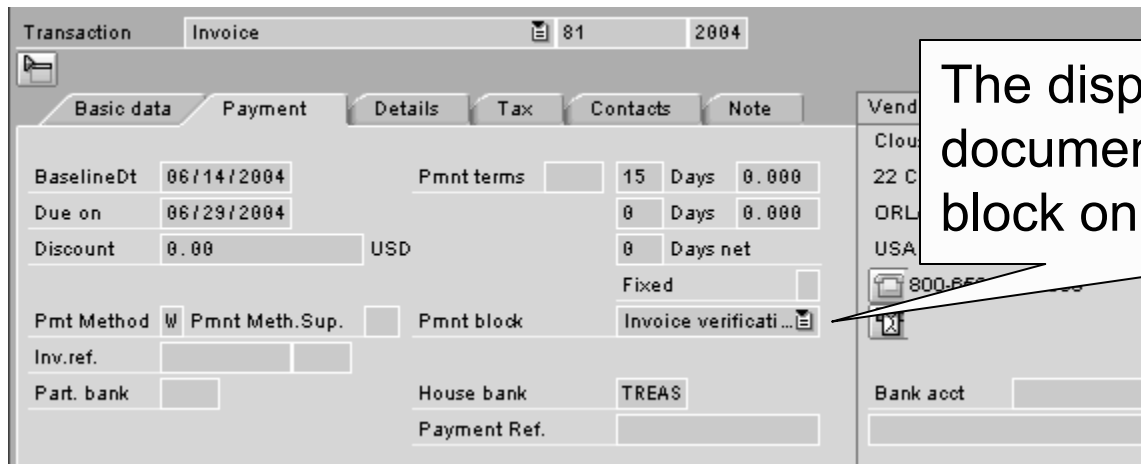| Typ	Message text	LTxt	Item	Origin
⚠	Quantity invoiced greater than goods receipt quantity	?	1	Quantity check

The system issues this cautionary message.

Document no. 81 created (blocked for payment)   MIRO   sapetr INS

Posting is allowed; however, the system blocks the invoice for payment.

Transaction   Invoice   81   2004

| Basic data | Payment | Details | Tax | Contacts | Note |

BaselineDt 06/14/2004   Pmnt terms   15 Days 0.000
Due on   06/29/2004   0 Days 0.000
Discount   0.00   USD   0 Days net
                                                 Fixed
Pmt Method W Pmnt Meth.Sup.   Pmnt block   Invoice verificati...
Inv.ref.
Part. bank   House bank   TREAS
                              Payment Ref.

Vend
Clou
22 C
ORL
USA
800-65

Bank acct

The displayed invoice document shows the system block on the payment tab.

The price being invoiced in this example does not match the purchase order price. The invoice fails the three-way match.

Verification log - invoice / 2004

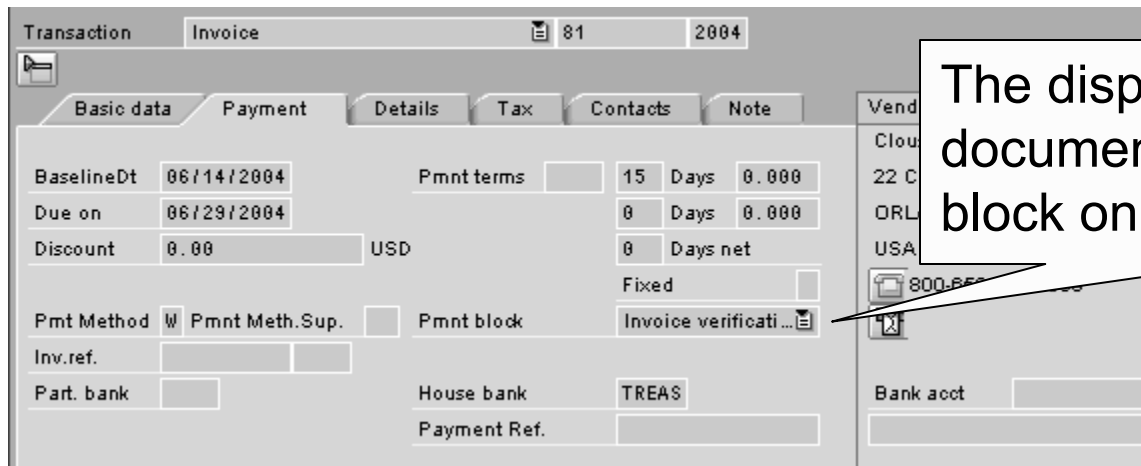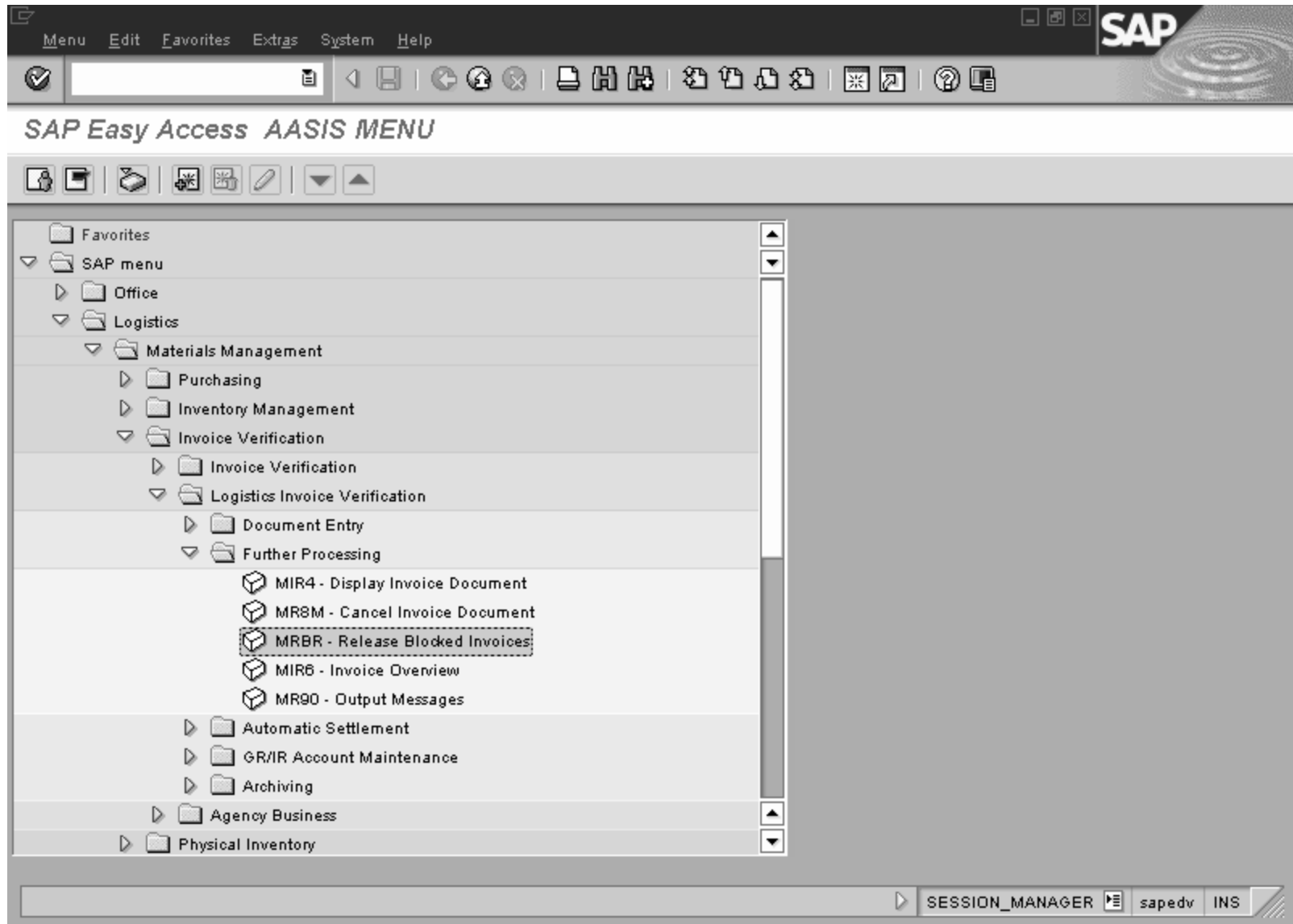| Typ	Message text	LTxt	Item	Origin
⚠	Price too high (tolerance limit of 10.00 % exceeded)	⑦	1	Amount check

The system issues this cautionary message.

Document no. 81 created (blocked for payment)   MIRO   sapetr   INS

Posting is allowed; however, the system blocks the invoice for payment.

Transaction   Invoice   81   2004

Basic data   Payment   Details   Tax   Contacts   Note   Vend

BaselineDt	06/14/2004	Pmnt terms		15 Days 0.000	Clou
Due on	06/29/2004			0 Days 0.000	ORL
Discount	0.00	USD		0 Days net	USA
				Fixed	
Pmt Method	W Pmnt Meth.Sup.	Pmnt block		Invoice verificati...	
Inv.ref.					
Part. bank		House bank	TREAS		Bank acct
		Payment Ref.			

The displayed invoice document shows the system block on the payment tab.

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Releasing Blocked Invoices with MRBR

- When a MIRO produces a system block, the block may be canceled and the invoice released with MRBR, **but every effort to correct the blocking reason is considered best accounting practices.**

- **CAUTION!** Releasing a blocked invoice may result in a discrepancy in the Goods Receipt/Invoice Receipt (GR/IR) Account, the General Ledger account for payables reflecting amounts due to vendors based on the goods receipted. In order for this account to clear to zero, proper entry of MIGOs and MIROs must take place.

- The user is impacting budget and funds by releasing a blocked invoice. The impact on budget and funds is **not** a system error. It is instead the result of the user making a conscious choice to override system blockages. Steps are provided for MRBR **only for the instance when all other corrective measures have been exhausted in posting the MIRO without a block. These precautions should be taken seriously.**

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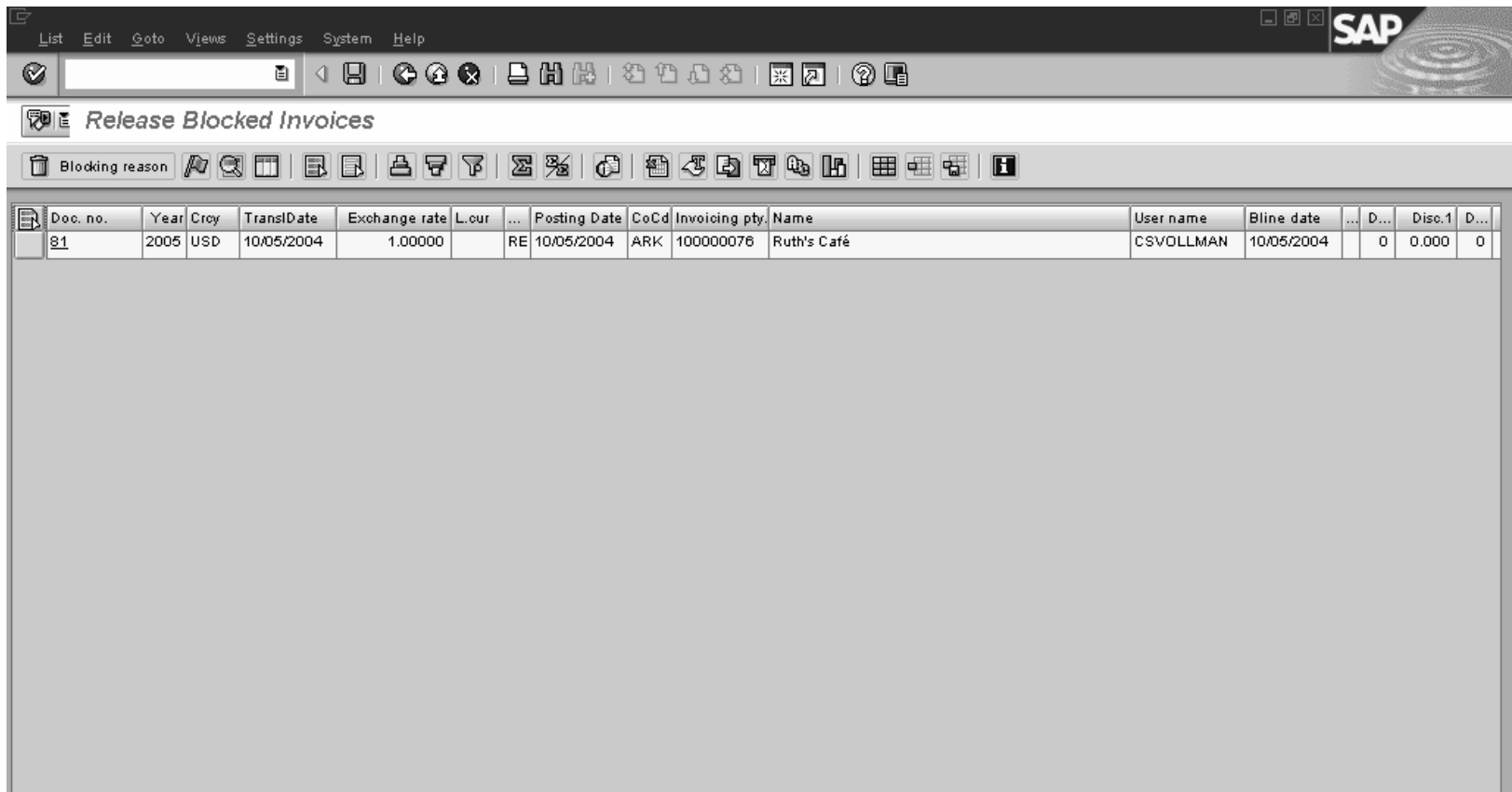
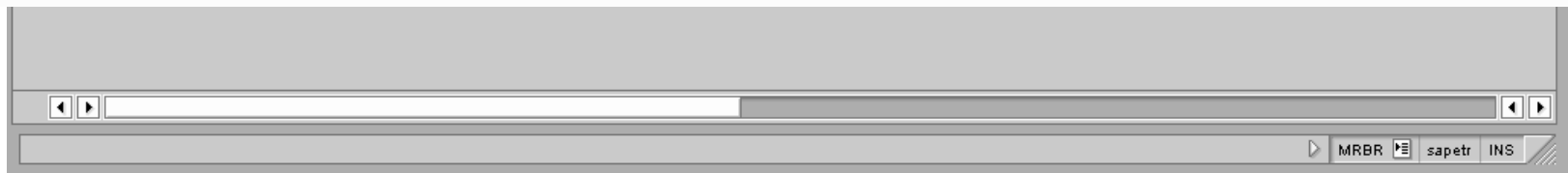Enter Fiscal Year and User fields and execute to display blocked invoices.

There are two types of blocks: Manual blocks (inserted by the user) and System block (block due to variance). If document cannot be located in one selection, try the other.
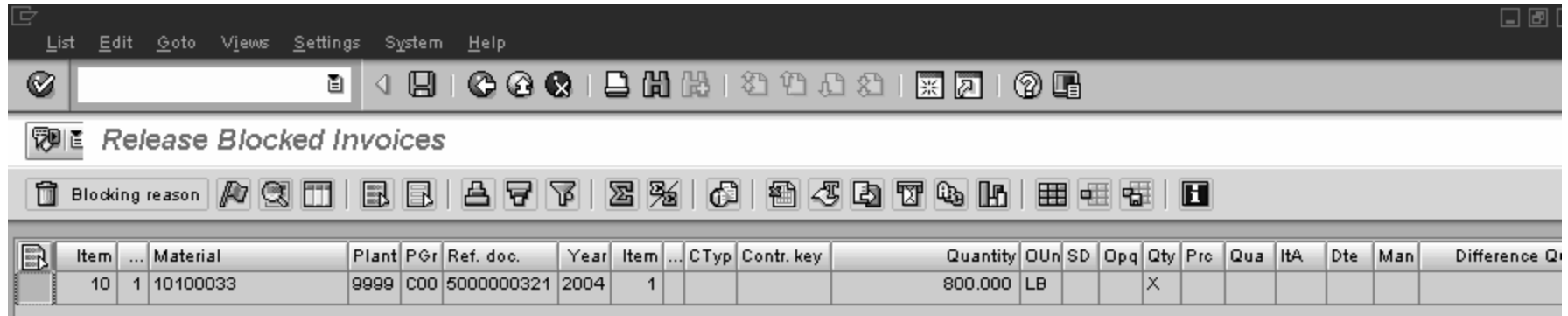
The list of blocked invoices is displayed. You may double-click on an invoice number to display it. Scroll over to display blocking reason.

Release Blocked Invoices

Item	...	Material	Plant	PGr	Ref. doc.	Year	Item	...	CTyp	Contr. key	Quantity	OUn	SD	Opq	Qty	Prc	Qua	ItA	Dte	Man	Difference Q
10	1	10100033	9999	C00	5000000321	2004	1				800.000	LB		X							

Explanation of blocking reasons:

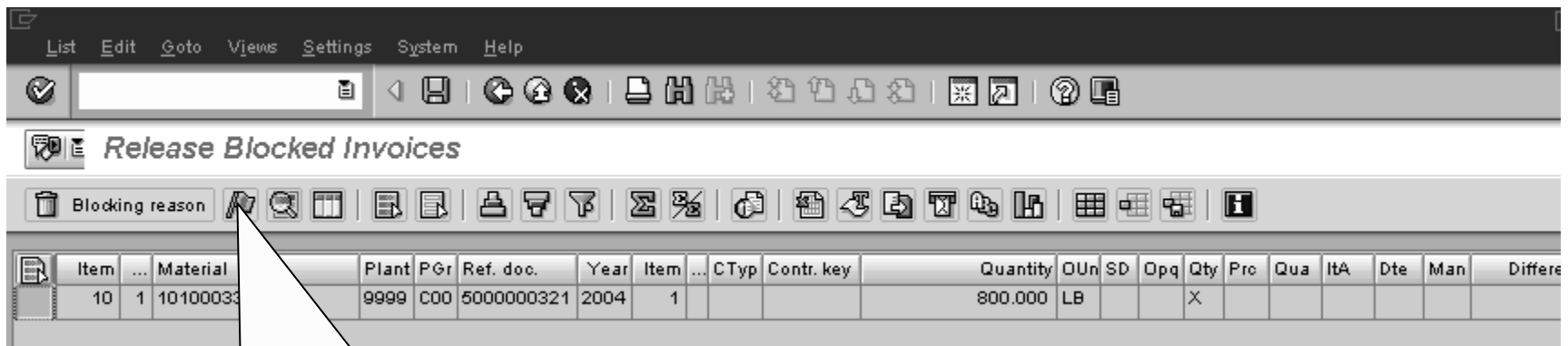Opq – not used

Qty – Quantity

Prc – Price

Qua – not used

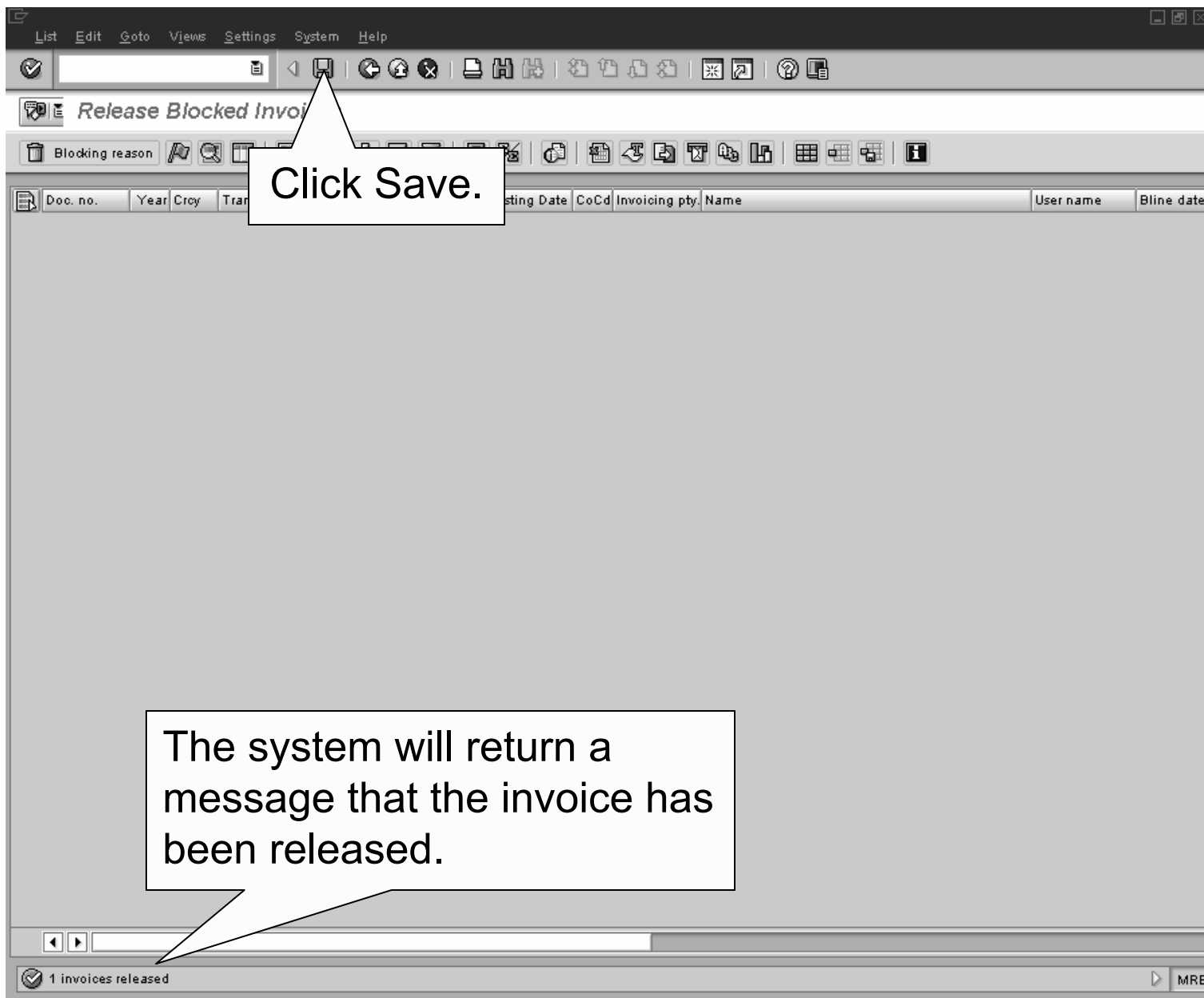ItA – Item amount over $100,000

Man – Manual Block inserted by user

NOTE: Tolerances for going over and under pricing have been set in AASIS at 10% up to $100 of the total purchase for going over and 10% down to $500 under the total purchase order. The tolerance for going over 10% includes unplanned delivery charges.

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CAUTION! Once every effort has been made to correct the blocking reason, <u>only then</u> should a user release a blocked invoice.
NOTE: Blocked invoices may need to be deleted with MR8M and re-entered, in the event that a MIGO correction is required in order to successfully post a MIRO.

Highlight the line and click the release invoice button.

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Release Blocked Invo

Blocking reason

Click Save.

Doc. no.   Year Crcy   Tran   ...sting Date CoCd Invoicing pty. Name   User name   Bline date

The system will return a
message that the invoice has
been released.

1 invoices released   MRB

Document Numbers and Links

- Invoices created in the Material Management area of AASIS generate two documents: an MM system document and an FI system document.

- The MM document number is used by the system to connect the invoice to a particular purchase order. The FI system document number generates the accounting data for the General Ledger.

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MIRO Display Fields

- The display layout controls which fields can be viewed on the MIRO screen.

- Selecting the All information layout displays all available fields.

Enter Incoming Invoice: Company Code ARK

| Show PO structure | Show worklist | | Hold | Simulate | | Messages | Help |

Transaction   Invoice   Balance   0.00   USD

Basic data | Payment | Details | Tax | Contacts | Note

Vendor 0100000070

Ticketronic Ticket Printing
2121 Inkpot Ave.
LITTLE ROCK AR 72204
USA

Invoice date   02/19/2004   Reference   54687
Posting Date   02/19/2004
Amount   150.00   USD   ✔ Calculate tax
Tax amount   0.00   PO (Accounts Payable S...
Text
Paymt terms   Due immediately
Baseline date   02/19/2004
Company Code   ARK State of Arkansas Little Rock

800-888-8804-147   800-888-

Bank acct

Layout selections

Purchase Order/Scheduling Agreement   4500000051   ➡

Goods/service items

Layout   All information

Quantity   O...   Purchase ...   Item   PO text   Tax code   W...A Acct ass

Selecting all information allows all possible fields to be displayed.

oods/service items

All information

All information
Invoice reduction
PO - Jurisdiction Code
PO - Order Price Quantity
PO history
Purchase order - delivery note
Purchase order - entry sheet
Requiring PM and House Bank
Services
Transfers

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f lading	Del. Note Qty	D...	In...	Final invoice	G...	Co...	U
	0.000		FOB	☐			

Notice the final invoice field. Check this box when the final invoice for the line item is received. Any remaining dollar amount not used on this line item will be returned to the budget.

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Click on Show PO Structure to see documents associated with the PO. Click Hide PO structure to return to normal view .
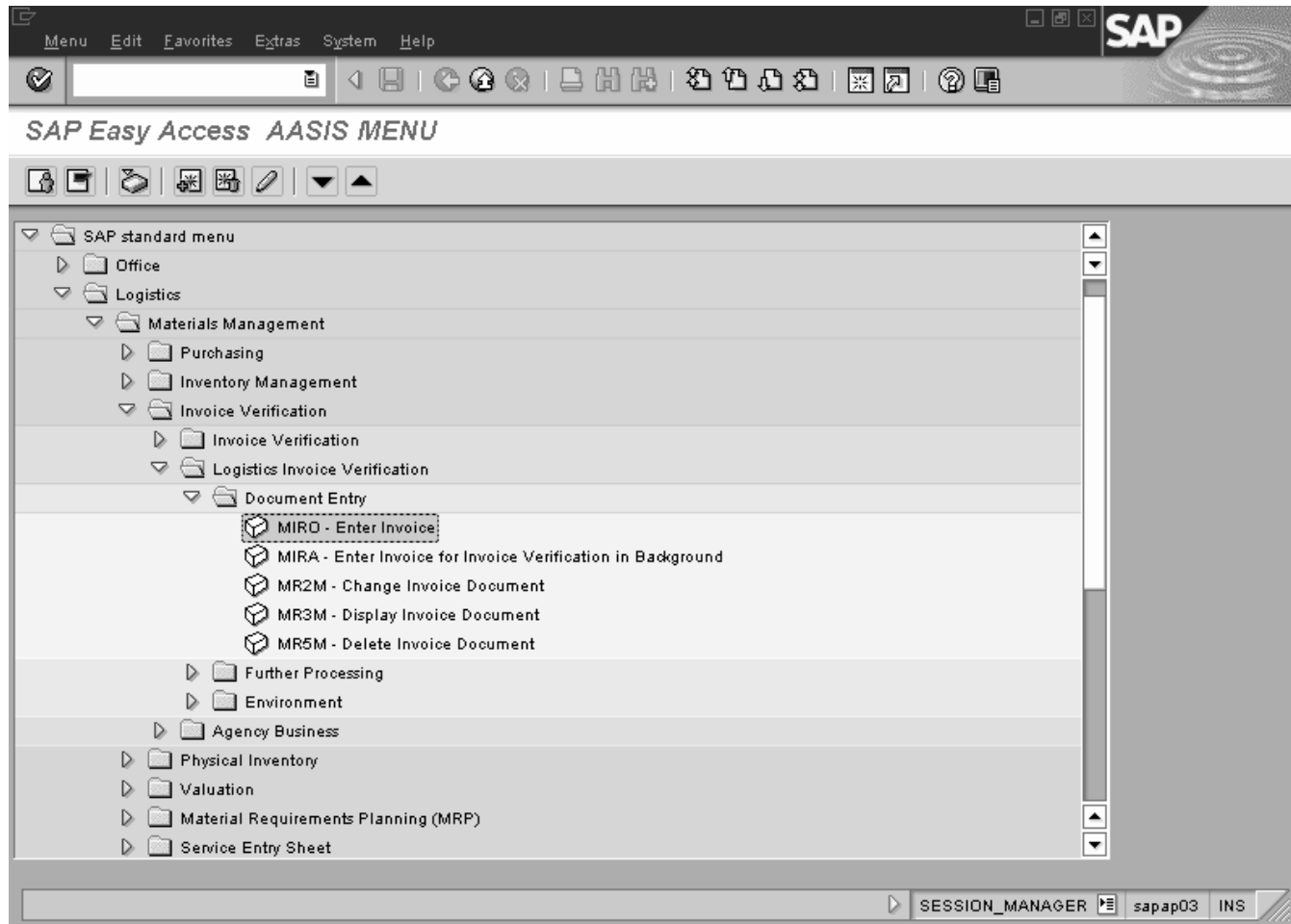

View the PO by double-clicking the PO number.

Credit Memos With MIRO

- MIRO is also used to enter a credit memo against a purchase order. A credit memo entered in the FI area of AASIS intended for a Purchase Order will not be connected to the purchase order.

Entering the MIRO Credit Memo

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Choose Credit memo from the drop down menu in the Transaction box.

Enter Document Date, Reference, and Amount Fields.

Click Calculate tax and enter the proper tax code from the drop down menu.

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Enter Purchase Order Number.

Adjust the Quantity and Amount columns to reflect the quantity being returned and the amount of pretax credit.

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Enter Incoming Invoice: Company Code ARK

Show PO structure | Show worklist | | Hold | Simulate | | Messages | Help

| Transaction | Credit memo | | | Balance | 2.37 USD |

Basic data | Payment | Details | Tax | Contacts | Note

Vendor 0100000237
"Chocoholics, Inc."
57 Sugar Lane
BURLINGTON VT 05403
USA
800-685-9874-458   800-685-9875

Unpl. Del. Csts
Currency   USD   Exch. Rate   1.00000
Doc. Type   Invoice receipt   Inv. Party   100000237
                                        Bus. Area   0610
Assignment   576832   G/L   2110001000
Header Text   Return of 1 box of choc
Plg level   AP   Planning Day   10/05/2004

Bank acct

Purchase Order/Scheduling Agreement   4500000258
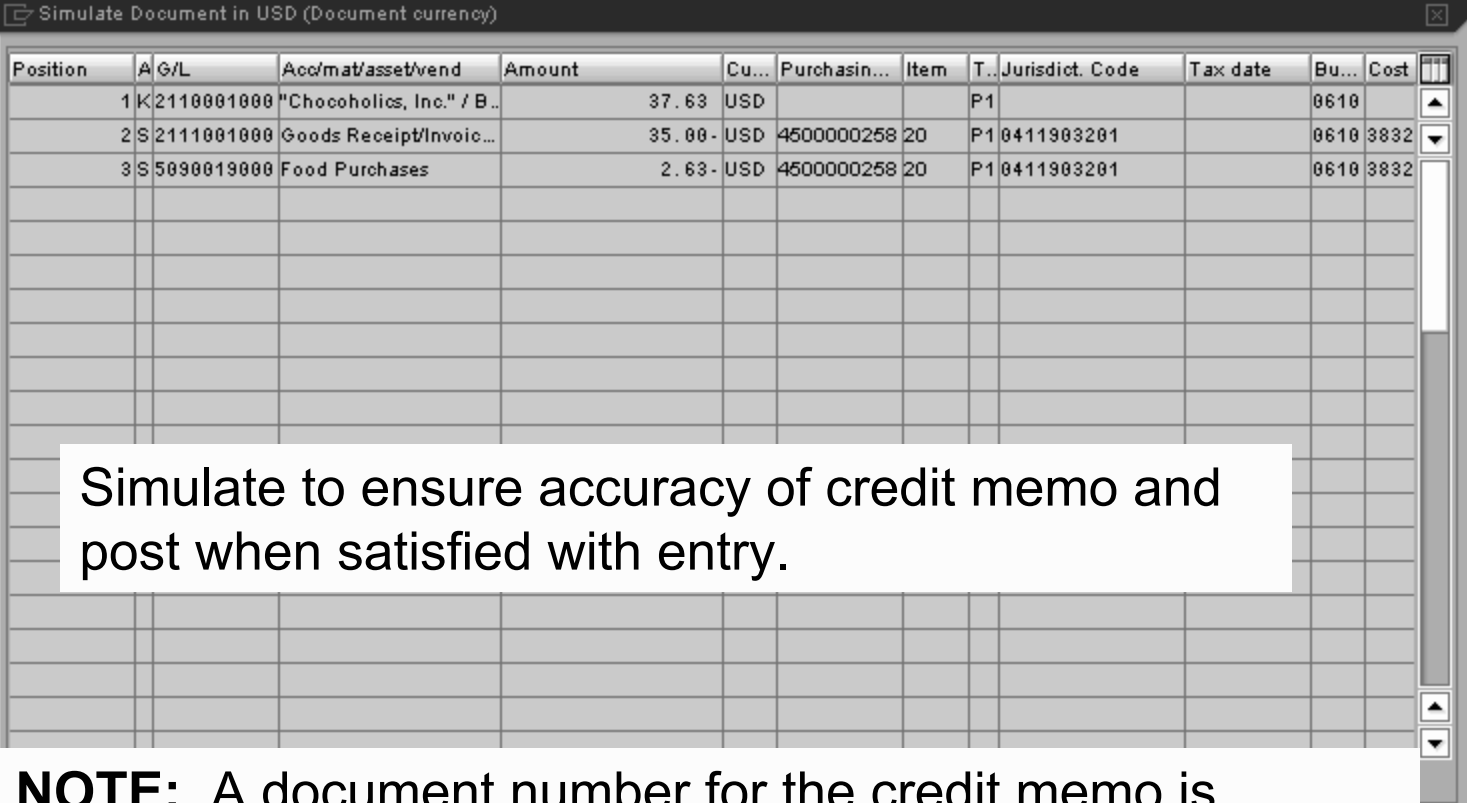
Goods/service items
Layout   All information

Item	Amount	Quantity	O...		Purchase ...	Item	PO text	Tax code
1	175.00		EA		4500000258	10	Candy	P1 (Accour
2	35.00	1	EA		4500000258	20	Candy	P1 (Accour
3	140.00		EA		4500000258	30	Candy	P1 (Accour

On the Details tab, enter Assignment number, Business Area, and Header text that is meaningful to the reason for the Credit Memo.

On the Payment tab, enter Payment method and House bank.

IMPORTANT! The Inv. Ref. field must contain the original AASIS MM document number that the credit is to net against.

Position	A	G/L	Acc/mat/asset/vend	Amount	Cu...	Purchasin...	Item	T..	Jurisdict. Code	Tax date	Bu...	Cost	
1	K	2110001000	"Chocoholics, Inc." / B...	37.63	USD			P1			0610		
2	S	2111001000	Goods Receipt/Invoic...	35.00-	USD	4500000258	20	P1	0411903201		0610	3832	
3	S	5090019000	Food Purchases	2.63-	USD	4500000258	20	P1	0411903201		0610	3832	

Simulate to ensure accuracy of credit memo and post when satisfied with entry.

NOTE: A document number for the credit memo is generated in MM when the credit memo is posted, and at the same time a document number is also generated in the FI area of AASIS.

Document no. 83 created

Use transaction MIR4 to display the MM document.

To find the FI document, click GOTO and Follow on documents from the menu.

List of Documents in Accounting

Documents in Accounting

Object type text	Doc. Number
Accounting document	0051000055
Spec. purpose ledger	1000001404
Controlling Document	0100001205
Funds Management doc	1000000433

Original document
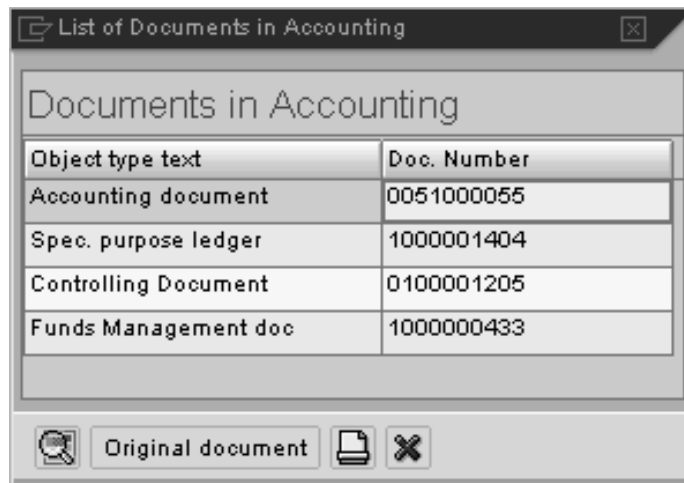
Double-click the accounting document.

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Display Document: Overview

Taxes | Display currency

Document Number	51000055	Company Code	ARK	Fiscal Year	2005
Document Date	10/05/2004	Posting Date	10/05/2004	Period	4
Reference	82	Cross-CC no.			
Currency	USD	Texts exist			

Items in document currency

Itm	PK	BusA	Acct no.	Description	Tx	Amount in	USD
001	21	0610	100000237	"Chocoholics, Inc."	P1		37.63
002	96	0610	2111001000	GRIR Clearing	P1		35.00-
003	91	0610	5090019000	Food Purchases	P1		2.63-

The accounting document is displayed.